

WORK SESSION

AGENDA
WORK SESSION
MILWAUKIE CITY COUNCIL
OCTOBER 7, 2008

MILWAUKIE CITY HALL

Second Floor Conference Room
10722 SE Main Street

A light dinner will be served.

WORK SESSION – 5:30 p.m.

Discussion Items:

	<u>Time</u>	<u>Topic</u>	<u>Presenter</u>	<u>Page</u>
1.	5:30 p.m.	Library Board Work Plan	Ledding Library Board; Library Director Joe Sandfort	1
2.	6:00 p.m.	Funding and Preliminary Engineering Service Intergovernmental Agreements with TriMet for the Portland-Milwaukie Light Rail Project	Kenny Asher	5
3.	6:30 p.m.	Progress Update on Transportation Code Amendment Project and Downtown Public Area Requirements	Kenny Asher/Susan Shanks	21
4.	6:45 p.m.	Adjourn		

EXECUTIVE SESSION

Executive Session: The Milwaukie City Council may go into Executive Session pursuant to ORS 192.660(2). All discussions are confidential and those present may disclose nothing from the Session. Representatives of the news media are allowed to attend Executive Sessions as provided by ORS 192.660(3) but must not disclose any information discussed. No Executive Session may be held for the purpose of taking any final action or making any final decision. Executive Sessions are closed to the public.

Public Notice

- The Council may vote in work session on non-legislative issues.
- The time listed for each discussion item is approximate. The actual time at which each item is considered may change due to the length of time devoted to the one previous to it.
- For assistance/service per the Americans with Disabilities Act (ADA) please dial TDD (503) 786-7555.
- The Council requests that all pagers and cell phones be either set on silent mode or turned off during the meeting.



To: Mayor and City Council

Through: Mike Swanson, City Manager

From: Colleen Schacht, Library Board Chair and Joe Sandfort, Library Director

Subject: Library Board Work Program for 2008-2009

Date: August 26, 2008

Action Requested

Review and discuss the 2008-2009 Library Board Work Program.

Background

The proposed work program is a plan for fulfilling the Library Board's responsibility to advise the Milwaukie City Council and the Ledding Library staff on library patrons' needs.

The Board's duties, under the general direction of the City Council, include: reviewing and commenting on rules and policies for the operation of the library; commenting on the acceptance or rejection of donations of real or personal property or funds donated to the library; commenting on sites for public library buildings or for location of library facilities; and other such activities.

Accomplishments Of 2007-2008

During FY 2007-2008, the Library Board dealt with the loss and eventual replacement of two Board members who left the Board for other City opportunities. During the past year, the Library Board:

- Formed the Ledding Library Foundation. The purpose of the foundation is to raise and disburse funds for the Ledding Library, for future capital expansions.
- Planned and promoted a well attended William Stafford birthday celebration event on the second Saturday in January.
- Supported the Library Director and Staff in Library operations.

- Met with engineering staff to put forth and clarify library concerns for safety, parking, and traffic issues surrounding the Library facilities.
- Reviewed, discussed and concurred with the proposed FY 2008-2009 library budget
- Attended as possible city neighborhood association meetings. While at the meetings, Board members both promoted library programs and received library-related input from Milwaukie citizens.
- Provided input into the management of several bequests, which resulted in improvements to the Library grounds.
- Planned and implemented the Milwaukie Poetry Series featuring poets who read from and discussed their work. The series had eight successful readings to capacity crowds at the Pond House, and was attended by a wide range of students and poetry fans of all age ranges from around the Portland area. Poetry readings were filmed; the readings are being shown on Willamette Falls Cable Television and are also on DVDs that can be checked out from the library. The Milwaukie Poetry Series also sponsored two writing workshops given by Paulann Petersen.
- Applied for and was awarded a visit by Oregon's Poet Laureate, Lawson Inada, which is still pending for 2008-2009 because of the Poet's schedule.
- Participated in the formulation of the City's Transportation System Plan by attending meetings and expressing concerns, monitoring discussions and by providing library-related input. Special attention was paid to monitoring traffic safety and parking issues as they relate to the library. Of particular concern was and is the ongoing safety of the intersection at SE 21st and SE Harrison.
- Planned, implemented, and sponsored the Willamette Readers program in which local celebrities read stories to primary school students. These were taped and broadcast on local Cable Access.

Priorities for 2008-2009

The following is a summary of the Library Board's priorities for 2008-2009. The Board will be prepared to discuss this draft list and Council priorities at the work session.

During FY 2008-2009, the Library Board plans to:

- Assist in developing and supporting the optimum structure, funding and administration for public libraries of Clackamas County. This includes dissemination of information about the November ballot measure for the formation of a library district.
- Work with the City to discuss and formulate plans for the future funding for the Library if the library district formation measure does not pass.
- Develop contacts with other public libraries in Clackamas County and participate in a countywide dialogue about regional issues affecting library stakeholders.

Library Pond House Priorities

- Coordinate with the City to implement the infrastructure requirements necessary for the opening and operation of the Pond House Booktique.
- Work with other stakeholders to develop and use the Library Pond House in the best manner possible. Promote ongoing improvements to the facility, to encourage its use for City and Library-related gatherings.
- Continue for a second year the Milwaukie Poetry Series at the Library Pond House of with a new lineup of poets conducting monthly readings. Also sponsor at least one writing workshop and a summer Poetry picnic.
- Participate in the selection of a library security system and help prepare the community for its implementation.
- Aspire to achieving more Board participation in The Friends of the Library's Plant Sale and Book Sale as well as the Sunday Market Book Booth. Participation at these events may include distributing fundraising materials and promoting library programs and services.
- Continue to encourage Board attendance at city NDA meetings, (Neighborhood Development Associations), to promote Library services and programs, as well as gain citizen feedback regarding Library issues.
- Continue to coordinate with the Friends of Ledding Library to promote the Library and its programs to the community as much as possible. Encourage more newspaper articles to this end. Promote and support the activities of the Friends and educate the community on all the things the Friends do for the Library.
- Continue to work with the other partners to develop and promote the Willamette Readers Series.
- Develop a fundraising strategy for long-term library needs, including through the Ledding Library Foundation. This strategy will set short term and long term fundraising goals and identify appropriate methods to be used.
- Continue the distribution of the library's monthly newsletter to all appropriate venues, including the City's Sunday Market and to neighborhood association meetings.
- Work with City staff to create and provide information for a regular column in the Milwaukie Pilot.
- Aspire to achieve a 20% increase in donations over FY2007-2008.
- Acknowledge in a public manner donations to the library, such as with bookplates, or a special display area.

Concurrence

The Library Board and the Library Director have reviewed and concur with the draft work program.

Fiscal Impact

The work plan will require a commitment of staff resources, primarily in information distributing functions. The fiscal impact will be minimal, as present staff will absorb necessary duties into its current workload.

Work Load Impacts

The library staff will support the Board's work to accomplish the priorities listed above. The staff liaison to the Board will attend all meetings and take and distribute meeting minutes.

Alternatives

None

Attachments

None



To: Mayor and City Council

Through: Mike Swanson, City Manager

From: Kenneth Asher, Director of Community Development & Public Works

Subject: Funding and Preliminary Engineering Service Intergovernmental Agreements with TriMet for the Portland-Milwaukie Light Rail Project

Date: September 25, 2008 for the October 7 Work Session

Action Requested

None. City and TriMet staffs will present two draft Intergovernmental Agreements (IGAs) to Council for review and discussion. These IGAs are the first of several anticipated under the Umbrella Agreement, adopted by TriMet and Council in the spring of 2008 (Res. 59-2008). The Umbrella Agreement sets forth the framework under which the parties will construct transit improvements in Milwaukie for the ten-year period between 2008 and 2018. The IGAs, which commit funds from Milwaukie to the light rail project and from TriMet to Milwaukie in the form of a dedicated project FTE, are scheduled for Council action on November 4, 2008.

History of Prior Actions and Discussions

July 2008 – Adoption of an updated Locally Preferred Alternative for a light rail alignment along the Tillamook Branch through Milwaukie with a terminus at Park Avenue (Res. 69-2008).

May and June 2008 – Work session discussions and action on the City of Milwaukie-TriMet Umbrella Agreement.

2007-2008 – Various actions and discussions regarding items that are in the Umbrella Agreement, including downtown bus facilities, light rail alignments, light rail station design, safety and security, and downtown revitalization.

Background

In the spring and summer of 2008, several discussions between the City of Milwaukie and TriMet resulted in agreements regarding the Portland-Milwaukie light rail project. The first of these agreements, referred to as the Umbrella Agreement, describes a sequence of supplemental agreements to specify roles, responsibilities, expectations and aspirations of both parties as activities are undertaken to expand transit service in Milwaukie. The second agreement was the adoption of a Locally Preferred Alignment update, which was endorsed by both parties and all other project partners.

Two IGAs are now being drafted, as anticipated in the Umbrella Agreement and as are advisable given the mounting demands and momentum of the light rail project.

The first of the agreements is a Funding Agreement and is attached hereto as Attachment 1. The Funding Agreement commits the City of Milwaukie to contributing \$5 million to TriMet for the light rail project, payable within 30 days of FTA approval of the Full Funding Grant Agreement (FFGA) – the vehicle by which federal funds will be made available for the project. The FFGA is expected to be approved in the summer of 2012. The Funding IGA further states that if the FFGA is not approved by June 2014, Milwaukie may terminate the agreement.

TriMet is in the process of obtaining funding contributions from the other local partners, including the City of Portland, Metro, Clackamas County and the State of Oregon. The Funding IGA has been prepared for Milwaukie to adhere to the terms of the Umbrella Agreement, which anticipated the IGA by the end of 2008, and to fix the Milwaukie contribution and provide Milwaukie with time to prepare a financial strategy for making the contribution.

The second of the agreements is a Preliminary Engineering Services Agreement (PES IGA) and is attached hereto as Attachment 2. Also contemplated in the Umbrella Agreement, the PES IGA addresses the risks that will confront both the City and the Project if Milwaukie is not properly staffed for upcoming light rail design, permitting and construction phases. As stated in the Umbrella Agreement and PES:

The Parties recognize Milwaukie does not have the resources to dedicate staff to the Project at the optimal level of involvement.... (an) IGA will fund one Milwaukie FTE beginning with FTA approval of Preliminary Engineering to address the staffing needs of the City.

TriMet has made application to the FTA to begin preliminary engineering and anticipates having FTA approval by January 2009. Both Milwaukie and TriMet staff are interested in beginning the recruitment and preparation process for bringing a full-time, project-dedicated staff person on to the City's team. The FTE will be a City of Milwaukie employee, and will work to assist the city and TriMet with the design and construction of project elements to be built in Milwaukie.

Details of the PES are still being negotiated between the City and TriMet. The parties anticipate filling the position with a civil engineer with land use planning and permitting experience. This will help the project interface smoothly between City planners, engineers, and TriMet project staff and consultants. Significant cost savings can be realized for the project if it can avoid unnecessary time delays and inefficiencies within jurisdiction approval and decision processes.

Concurrence

None sought, as no action is required at this time. However the Budget Officer, Finance Director, Human Resources Director, Engineering Director, acting Planning Director and Resource and Economic Development Specialist have been consulted on one or both IGAs and have offered comment and concurrence. The City Attorney will be asked to review and concur with the IGAs once they are in final draft form.

Fiscal Impact

None, as no action is required at this time. The Funding IGA represents a large financial commitment for the City, and one that must be carefully planned with other City obligations. The City Manager and Finance Director have evaluated the City's borrowing capacity and support execution of the IGA. Both will be on hand at the work session to answer questions about preliminary plans for funding the light rail commitment. Staff would note that obligation is expected to come due at the end of fiscal year 2011-12, giving the city more than four years to prepare for the transfer of funds.

Should the project not secure federal funding by June 2014, the City's financial commitment will no longer be in effect, and any funds committed by Milwaukie for the project will be returned.

The Preliminary Services IGA is expected to have no fiscal impact on the City, as the cost of the FTE position is being fully borne by TriMet's project funding.

Work Load Impacts

None, as no action is required at this time. When action is taken, however, the Funding IGA will require financial planning by the City Manager, Finance Director and Community Development & Public Works Director. Likewise, approval of the PES IGA will generate work for the Human Resources Department and certain department heads in recruiting, hiring, training and supervising the new position. Workload impacts from electing to not approve either of these IGAs would be immense. Staffing is not currently available to renegotiate the Umbrella Agreement, or to oversee the engineering of the light rail project, or to help facilitate project permitting.

Alternatives

None listed, as this is a discussion item only.

Attachments

1. Draft Intergovernmental Funding Agreement between TriMet and the City of Milwaukie for the Portland to Milwaukie Light Rail Project.
2. Draft Intergovernmental Agreement between TriMet and the City of Milwaukie for Preliminary Engineering Services for the Portland to Milwaukie Light Rail Project.

ATTACHMENT 1

INTERGOVERNMENTAL FUNDING AGREEMENT BETWEEN TRIMET AND THE CITY OF MILWAUKIE FOR THE SOUTH CORRIDOR PHASE 2 PORTLAND TO MILWAUKIE LIGHT RAIL PROJECT

This intergovernmental agreement ("Agreement"), dated _____, 2008, is made and entered into by and between the City of Milwaukie ("Milwaukie") and the Tri-County Metropolitan Transportation District of Oregon ("TriMet") (collectively the "Parties").

RECITALS

1. TriMet and Milwaukie are authorized to enter into this Agreement with each other pursuant to the provisions of ORS 190.
2. TriMet owns and operates the public mass transit system serving the Portland, Oregon metropolitan region, which includes an existing light rail system composed of segments commonly known as the Eastside/Banfield, Westside/Hillsboro, Airport, and Interstate lines. TriMet also is currently constructing the South Corridor Light Rail Project, consisting of the I-205 Segment and the Portland Mall Segment.
3. TriMet and Milwaukie have a joint interest in serving Milwaukie, north Clackamas County and the Portland Metro region with high quality, convenient public transit.
4. TriMet plans and proposes to construct the Phase II South Corridor Light Rail Project ("Project"). The Project will provide a reliable, high frequency transportation option for Milwaukie and Clackamas County commuters, and will benefit north Clackamas County and City of Milwaukie residents and workers by providing car-free linkages to multiple destinations in the TriMet system. The Project also offers Milwaukie a transportation investment that can help catalyze Milwaukie's downtown revitalization as described in local and regional land use plans.
5. On May 9, 2008, the Federal Transit Administration ("FTA") issued a Supplemental Draft Environmental Impact Statement ("SDEIS") on the Project, in compliance with FTA and National Environmental Protection Act ("NEPA") requirements.
6. On July 15, 2008, the City of Milwaukie Council adopted the Locally Preferred Alternative
7. On July 24, 2008, Metro adopted the Locally Preferred Alternative ("LPA") and the Land Use Final Order ("LUFO") for the Project.
8. The Parties anticipate that TriMet will be the entity responsible for entering into a Full Funding Grant Agreement ("FFGA") with the FTA as the vehicle through which the Project will receive its federal funding component. As the grant recipient, TriMet will be the entity responsible for performing, or contracting for, the design services and construction work.

9. In addition to the FTA, TriMet is in the process of obtaining funding contributions for the Project from local partners, including the City of Milwaukie, the City of Portland, Metro and the State of Oregon.
10. On June 17, 2008, the Parties entered into a Memorandum of Understanding For Transit Improvements in Milwaukie from 2008-2018 ("MOU"). The MOU anticipated that the Parties would enter into a series of intergovernmental agreements over ten years, including a funding agreement for the Project by December 31, 2008.
11. Milwaukie agrees to help fund the Project by contributing \$5 million toward the Project.

NOW, therefore, in consideration of the mutual promises set forth below and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

AGREEMENT

MILWAUKIE OBLIGATIONS

1. Milwaukie agrees to contribute \$5,000,000 to TriMet for the Project.
2. Milwaukie's contribution of \$5,000,000 shall be paid to TriMet within 30 days of FTA approval of the Full Funding Grant Agreement for the Project, which approval is anticipated in or around June 2012.

TRIMET OBLIGATIONS

1. TriMet agrees that it is fully committed to constructing and operating the Project upon entering into a Full Funding Grant Agreement for the Project with FTA.
2. TriMet agrees to apply Milwaukie's \$5,000,000 in contributed funds to the Project.
3. TriMet agrees to comply with all federal, state, and local laws, regulations, executive orders and ordinances applicable to the work under this Agreement.

GENERAL PROVISIONS

1. Each of the Parties hereto shall be deemed an independent contractor for purposes of this Agreement. No representative, agent, employee or contractor of one Party shall be deemed to be a representative, agent, employee or contractor of the other Party for any purpose, except to the extent specifically provided herein. Nothing herein is intended, nor shall it be construed, to create between the Parties any relationship of principal and agent, partnership, joint venture or any similar relationship, and each Party hereby specifically disclaims any such relationship.

2. Both Parties agree to in good faith enter into additional agreements, as needed, for the Project, potentially to include:
 - a. Preliminary Engineering Agreement;
 - b. Final Design and Construction Agreement;
 - c. Right of Way Agreement;
 - d. Continuing Control Agreement;
 - e. South Precinct Agreement
 - f. Conduct of Construction Agreement
 - g. Parking Agreement
 - h. Maintenance Agreement.
3. This Agreement may be terminated at any time by mutual written consent of both Parties.
4. Milwaukie may terminate this Agreement upon 30 days written notice to TriMet, but only if TriMet has not received FTA approval of a Full Funding Grant Agreement for the Project by June 30, 2014.
5. The Parties acknowledge and agree that each Party, the federal government, and their duly authorized representatives shall have access to each Party's books, documents, papers, and records which are directly pertinent to this Agreement for the purpose of making audit, examination, excerpts, and transcripts for a period of three years after final payment. Copies of applicable records shall be made available upon request. The cost of such inspection shall be borne by the inspecting Party.
6. Milwaukie and TriMet are the only Parties to this Agreement and are the only Parties entitled to enforce its terms. Nothing in this Agreement gives, is intended to give, or shall be construed to give or provide any benefit or right, whether directly, indirectly or otherwise, to third persons unless such third persons are expressly described as intended beneficiaries of the terms of this Agreement.
7. This Agreement constitutes the entire agreement between the Parties on the subject matter hereof. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Agreement. No waiver, consent, modification or change of terms of this Agreement shall bind either Party unless in writing and signed by both Parties and all necessary approvals have been obtained. Such waiver, consent, modification or change, if made, shall be effective only in the specific instance and for the specific purpose given. The failure of either Party to enforce any provision of this Agreement shall not constitute a waiver by such Party of that or any other provision.
8. The benefits conferred by this Agreement, and the obligations assumed hereunder, shall inure to the benefit of and bind the successors of the Parties. The rights and obligations of each Party under this Agreement may not be assigned in whole or in part without the prior written consent of the other Party.

9. This Agreement shall be construed according to the laws of the State of Oregon. TriMet and Milwaukie shall negotiate in good faith to resolve any dispute arising under this Agreement. Should any dispute arise between the parties concerning this agreement that is not resolved by mutual agreement, it is agreed that it will be submitted to mediated negotiation prior to any party commencing litigation. In such an event, the parties to this agreement agree to participate in good faith in a non-binding mediation process. The mediation shall take place in Portland, Oregon. The mediator shall be selected by mutual agreement of the parties, but in the absence of such agreement each party shall select a temporary mediator and those mediators shall jointly select the permanent mediator. The mediator's fees and costs shall be borne equally by the parties. In the event mediation is unsuccessful, the Parties are free to pursue any legal remedies that may be available. Any litigation between Milwaukie and TriMet arising under this Agreement or out of work performed pursuant to this Agreement shall occur, if in the state courts, in the Multnomah County Circuit Court, and if in the federal courts, in the United States District Court for the District of Oregon located in Portland, Oregon.
10. If any clause, sentence, or portion of the terms and conditions of this Agreement becomes illegal, null, or void for any reason, the remaining portions will remain in full force and effect to the fullest extent permitted by law. All provisions concerning indemnity survive the termination of this Agreement for any cause.
11. Any titles of the sections of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.
12. Except as otherwise expressly provided herein, the rights and remedies expressly afforded under the provisions of this Agreement shall not be deemed exclusive, and shall be in addition to and cumulative with any and all rights and remedies otherwise available at law or in equity. The exercise by either Party of any one or more of such remedies shall not preclude the exercise by it, at the same or different times, of any other remedies for the same default or breach, or for any other default or breach, by the other Party.
13. Within the limits of the Oregon Constitution and the Oregon Tort Claims Act, codified at ORS 30.260 through 30.300, each of the Parties shall hold harmless, indemnify and defend the other and its directors, officers, employees and agents from and against all claims, demands, penalties, and causes of action of any kind or character relating to or arising from this Agreement (including the cost of defense thereof, including attorney fees) in favor of any person on account of personal injury, death, damage to property, or violation of law, which arises out of, or results from, the negligent acts or omissions of the indemnitor, its officers, employees, or agents.
14. All routine correspondence and communication regarding this Agreement shall be between the following representatives of the Parties:

TriMet:

David Unsworth

TriMet Project Planning
710 NE Holladay Street
Portland, OR 97232
Telephone: (503) 962-2147
Facsimile: (503) 962-2281

With copy to: TriMet Legal Department
710 NE Holladay Street
Portland, OR 97232
Attn: Lance Erz
Telephone: (503) 962-2108
Facsimile: (503) 962-2299

City of Milwaukie: Kenny Asher
Director of Community Development and Public Works
City of Milwaukie
6101 SE Johnson Creek Boulevard
Milwaukie, OR 97206
Tel 503-786-7654
Fax 503-774-8236

15. Either Party may change the foregoing notice address by giving prior written notice thereof to the other Party at its notice address.

16. Each party represents that it has the authority to enter into this Agreement on its behalf and the individual signatory for a party represents that it has been authorized by that party to execute and deliver this Agreement.

**TRI-COUNTY METROPOLITAN
TRANSPORTATION DISTRICT OF
OREGON**

By _____
Fred Hansen, General Manager

Date _____

APPROVED AS FORM

By _____
Lance Erz, TriMet Legal Department

Date _____

CITY OF MILWAUKIE

By _____
James Bernard, Mayor

Date _____

APPROVED AS FORM

By _____
Milwaukie City Attorney

Date _____

ATTACHMENT 2

INTERGOVERNMENTAL AGREEMENT BETWEEN TRIMET AND THE CITY OF MILWAUKIE FOR PRELIMINARY ENGINEERING SERVICES FOR THE PORTLAND TO MILWAUKIE LIGHT RAIL PROJECT

This intergovernmental agreement ("Agreement"), dated _____, 2008, is made and entered into by and between the City of Milwaukie ("Milwaukie") and the Tri-County Metropolitan Transportation District of Oregon ("TriMet") (collectively the "Parties").

RECITALS

1. TriMet and Milwaukie are authorized to enter into this Agreement with each other pursuant to the provisions of ORS 190.
2. TriMet owns and operates the public mass transit system serving the Portland, Oregon metropolitan region, which includes an existing light rail system composed of segments commonly known as the Eastside/Banfield, Westside/Hillsboro, Airport, and Interstate lines. TriMet also is currently constructing the South Corridor Light Rail Project, consisting of the I-205 Segment and the Portland Mall Segment.
3. TriMet and Milwaukie have a joint interest in serving Milwaukie, north Clackamas County and the Portland Metro region with high quality, convenient public transit.
4. TriMet plans and proposes to construct the Phase II South Corridor Light Rail Project from Portland to Milwaukie ("Project"). The Project will provide a reliable, high frequency transportation option for Milwaukie and Clackamas County commuters, and will benefit north Clackamas County and City of Milwaukie residents and workers by providing car-free linkages to multiple destinations in the TriMet system. The Project also offers Milwaukie a transportation investment that can help catalyze Milwaukie's downtown revitalization as described in local and regional land use plans.
5. On May 9, 2008, the Federal Transit Administration ("FTA") issued a Supplemental Draft Environmental Impact Statement ("SDEIS") on the Project, in compliance with FTA and National Environmental Protection Act ("NEPA") requirements.
6. On July 15, 2008, the Milwaukie City Council approved the Locally Preferred Alternative and on July 24, 2008 the Metro Council adopted the Locally Preferred Alternative ("LPA") and the Land Use Final Order ("LUFO") for the Project.
7. The Parties desire to work collaboratively on the design of the Project in the City of Milwaukie, and Milwaukie is prepared to assign staff to the Project as necessary to

oversee coordination and facilitation of the City's various roles in the design, permitting and construction of the Project. However, the Parties recognize that Milwaukie does not have the resources to dedicate staff to the Project at the optimal level of involvement. In order to facilitate sufficient involvement by Milwaukie staff, TriMet will fund one Milwaukie full time employee beginning with FTA approval of Preliminary Engineering ("PE").

8. On June 17, 2008, the Parties entered into a Memorandum of Understanding For Transit Improvements in Milwaukie from 2008-2018 ("MOU"). The MOU anticipated that TriMet would fund one Milwaukie full time employee beginning with FTA approval of Preliminary Engineering.

NOW, therefore, in consideration of the mutual promises set forth below and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

AGREEMENT

MILWAUKIE OBLIGATIONS

1. Upon notice from TriMet that it has received FTA approval to begin preliminary engineering for the Project, which is currently anticipated by approximately January 2009, Milwaukie shall hire a full time civil engineer ("FTE") who shall be dedicated to working full time on the Project on behalf of Milwaukie. The FTE shall be a City of Milwaukie employee, and shall work to assist the City of Milwaukie and TriMet in designing and constructing the Project elements that will be built in Milwaukie. Tasks to be performed by the FTE may include, but not be limited to, the following:

Provide design assistance, and review and comment on preliminary plans, final design plans and construction plans;

Facilitate the issuance of construction permits within the City of Milwaukie;

Provide coordination and assistance to prepare and streamline required land use reviews, permit applications, environmental reviews and potential adjustments;

Provide coordination between City staff and Project staff on community, design and construction issues;

Assist TriMet in developing a list of the permits or streamline approvals necessary to complete the Project construction and installation, and with any permit/approval processes,

Assist TriMet with application of Milwaukie Code and Building requirements.

2. Milwaukie shall dedicate 100 percent of FTE's time to the Project from the beginning of PE through substantial completion of construction of the Project.

TRIMET OBLIGATIONS

1. TriMet shall pay the amount of FTE's salary plus the standard City of Milwaukie employee benefits package from the start of PE through substantial completion of construction of the Project, up to a maximum of \$850,000. The FTE's yearly salary shall not exceed \$72,000 for the first year, plus an increase of no more than five percent per year. Payment shall be made monthly.

2. Within thirty (30) days of the receipt of an invoice, TriMet shall pay Milwaukie the amount due. In the event there is a dispute regarding the amount due, TriMet shall pay any undisputed amount in accordance with this Paragraph, and the Parties will work in good faith to resolve the dispute in an expeditious manner. Invoices shall contain the contract number, the date(s) services were furnished; and a brief description of the services furnished. All invoices shall be signed by FTE or another Milwaukie employee, certifying the hours worked and activities performed. Invoices shall be submitted to TriMet's Finance Department as follows:

TriMet Finance Department
Attn: Accounts Payable
4012 SE 17th Avenue
Portland, OR 97202

GENERAL PROVISIONS

1. Each of the Parties hereto shall be deemed an independent contractor for purposes of this Agreement. No representative, agent, employee or contractor of one Party shall be deemed to be a representative, agent, employee or contractor of the other Party for any purpose, except to the extent specifically provided herein. Nothing herein is intended, nor shall it be construed, to create between the Parties any relationship of principal and agent, partnership, joint venture or any similar relationship, and each Party hereby specifically disclaims any such relationship.
2. Both Parties agree to in good faith enter into the following additional agreements, as needed, for the Project:
 - a. Funding Agreement;
 - b. Final Design and Construction Agreement;
 - c. Right of Way Agreement;
 - d. Continuing Control Agreement; and
 - e. Maintenance Agreement.
3. Unless terminated sooner by a method set forth in this Agreement, the Agreement shall terminate 30 days after the conclusion of substantial completion of construction

the Project. The Agreement may be extended by the mutual written consent of both Parties.

4. This Agreement may be terminated at any time by the mutual written consent of both Parties.
5. Either Party may terminate this Agreement upon 30 days written notice to the other Party, but only if TriMet has not received FTA approval to enter into PE for the Project by December 31, 2009.
6. TriMet may terminate this Agreement upon 30 days written notice to Milwaukie if TriMet fails to obtain FTA approval to enter into Final Design.
7. Either Party may terminate this Agreement in the event of a material breach by the other Party, but only if the other Party fails to cure the breach within 15 days of receipt of written notice specifying the breach.
8. The Parties acknowledge and agree that each Party, the federal government, and their duly authorized representatives shall have access to each Party's books, documents, papers, and records which are directly pertinent to this Agreement for the purpose of making audit, examination, excerpts, and transcripts for a period of three years after final payment. Copies of applicable records shall be made available upon request. The cost of such inspection shall be borne by the inspecting Party.
9. Milwaukie and TriMet are the only Parties to this Agreement and are the only Parties entitled to enforce its terms. Nothing in this Agreement gives, is intended to give, or shall be construed to give or provide any benefit or right, whether directly, indirectly or otherwise, to third persons unless such third persons are expressly described as intended beneficiaries of the terms of this Agreement.
10. This Agreement constitutes the entire agreement between the Parties on the subject matter hereof. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Agreement. No waiver, consent, modification or change of terms of this Agreement shall bind either Party unless in writing and signed by both Parties and all necessary approvals have been obtained. Such waiver, consent, modification or change, if made, shall be effective only in the specific instance and for the specific purpose given. The failure of either Party to enforce any provision of this Agreement shall not constitute a waiver by such Party of that or any other provision.
11. The benefits conferred by this Agreement, and the obligations assumed hereunder, shall inure to the benefit of and bind the successors of the Parties. The rights and obligations of each Party under this Agreement may not be assigned in whole or in part without the prior written consent of the other Party.
12. This Agreement shall be construed according to the laws of the State of Oregon. TriMet and Milwaukie shall negotiate in good faith to resolve any dispute arising

under this Agreement. Should any dispute arise between the parties concerning this agreement that is not resolved by mutual agreement, it is agreed that it will be submitted to mediated negotiation prior to any party commencing litigation. In such an event, the parties to this agreement agree to participate in good faith in a non-binding mediation process. The mediation shall take place in Portland, Oregon. The mediator shall be selected by mutual agreement of the parties, but in the absence of such agreement each party shall select a temporary mediator and those mediators shall jointly select the permanent mediator. The mediator's fees and costs shall be borne equally by the parties. In the event mediation is unsuccessful, the Parties are free to pursue any legal remedies that may be available. Any litigation between Milwaukie and TriMet arising under this Agreement or out of work performed pursuant to this Agreement shall occur, if in the state courts, in the Multnomah County Circuit Court, and if in the federal courts, in the United States District Court for the District of Oregon located in Portland, Oregon.

13. If any clause, sentence, or portion of the terms and conditions of this Agreement becomes illegal, null, or void for any reason, the remaining portions will remain in full force and effect to the fullest extent permitted by law. All provisions concerning indemnity survive the termination of this Agreement for any cause.
14. Any titles of the sections of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.
15. Except as otherwise expressly provided herein, the rights and remedies expressly afforded under the provisions of this Agreement shall not be deemed exclusive, and shall be in addition to and cumulative with any and all rights and remedies otherwise available at law or in equity. The exercise by either Party of any one or more of such remedies shall not preclude the exercise by it, at the same or different times, of any other remedies for the same default or breach, or for any other default or breach, by the other Party.
16. Within the limits of the Oregon Constitution and the Oregon Tort Claims Act, codified at ORS 30.260 through 30.300, each of the Parties shall hold harmless, indemnify and defend the other and its directors, officers, employees and agents from and against all claims, demands, penalties, and causes of action of any kind or character relating to or arising from this Agreement (including the cost of defense thereof, including attorney fees) in favor of any person on account of personal injury, death, damage to property, or violation of law, which arises out of, or results from, the negligent acts or omissions of the indemnitor, its officers, employees, or agents.
17. All routine correspondence and communication regarding this Agreement shall be between the following representatives of the Parties:

TriMet:	David Unsworth
	TriMet Project Planning
	710 NE Holladay Street

Portland, OR 97232
Telephone: (503) 962-2147
Fax: (503) 962-2282

With copy to: TriMet Legal Department
710 NE Holladay Street
Portland, OR 97232
Attn: Lance Erz
Telephone: (503) 962-2108
Fax: (503) 962-2299

City of Milwaukie: Kenny Asher
Director of Community Development and Public Works
City of Milwaukie
6101 SE Johnson Creek Boulevard
Milwaukie, OR 97206
Telephone: (503) 786-7654
Fax: (503) 774-8236

18. Either Party may change the foregoing notice address by giving prior written notice thereof to the other Party at its notice address.

17. Each party represents that it has the authority to enter into this Agreement on its behalf and the individual signatory for a party represents that it has been authorized by that party to execute and deliver this Agreement.

TRI-COUNTY METROPOLITAN CITY OF MILWAUKIE
TRANSPORTATION DISTRICT OF
OREGON

By _____
Neil McFarlane, Executive Director

Date _____

APPROVED AS FORM

By _____
Lance Erz, TriMet Legal Department

Date _____

By _____
James Bernard, Mayor

Date _____

APPROVED AS FORM

By _____
Milwaukie City Attorney

Date _____



To: Mayor and City Council

Through: Mike Swanson, City Manager
Kenneth Asher, Community Development and Public Works Director

From: Katie Mangle, Planning Director
Susan P. Shanks, Senior Planner

Subject: Progress Update on Transportation Code Amendment Project and
Downtown Public Area Requirements

Date: September 30, 2008 for October 7, 2008 Work Session

Action Requested

No action is requested at this time. This is a briefing on the status of the City's Transportation Code Amendment (TCA) project, including an update on staff's recommendation for changes to the downtown public area requirements (PAR) code section. Staff seeks City Council feedback on the proposed PAR code language, which is included with this report as Attachment 1.

History of Prior Actions and Discussions

- **April 2008** – Council approved a contract with Angelo Planning Group to assist staff with the TCA/PAR Project.
- **January 2008** – In the decision on Mr. Parecki's appeal of the Planning Director's interpretation of the City's PAR code section (Milwaukie Municipal Code Section 19.312.5), Council directed staff to consider code amendments that would more equitably distribute the cost of constructing public area improvements in downtown Milwaukie between the public and private sectors.
- **October 2007** – During the Transportation System Plan (TSP) Council briefings, staff indicated that next steps would include updating the City's transportation

regulations and street design standards to accurately reflect and implement the goals and policies contained in the TSP.

- **March 2007** – Planning and Engineering staff briefed Council on the City's fee-in-lieu-of-construction (FILOC) practices and sought direction regarding FILOC program improvements. The TCA/PAR project will refine the FILOC program per Council's direction.

Background

TCA/PAR Project Update

As described in the project's Scope of Work, which Council reviewed in April 2008, staff identified a number of issues to be addressed by this code amendment project. The three main issues are as follows:

- The City's transportation regulations use project cost thresholds to trigger transportation improvements. This approach has resulted in substantial requirements for small projects, particularly for tenant improvements, residential remodels/additions, and downtown projects.
- The City's transportation regulations do not adequately reflect the City's responsibility to consider a project's impacts prior to exacting transportation improvements. This omission has created liability issues for the City.
- The City's transportation regulations do not empower the Engineering Director to find common sense solutions to street and sidewalk improvements. Discretion and design flexibility is especially important when required improvements need to respond to existing street and development conditions. The lack of discretion and flexibility in the code has resulted in unnecessary process and expense for property owners and the City.

In general, the purpose of the TCA/PAR project is to evaluate, refine, and reorganize the City's transportation regulations and standards to make them easier to understand, use and defend. The project's primary focus is overhauling Milwaukie Municipal Code (MMC) Chapter 19.1400, which is the City's main regulatory document for transportation improvements. However, since the City's transportation regulations and standards are currently dispersed among many documents, the project includes review of and possible changes to a number of different documents and code provisions, namely:

- MMC Chapter 19.1400 (which applies to the entire city);
- MMC Section 19.312.5 (which applies only to downtown);
- MMC Title 12 (which deals with streets and sidewalks generally);
- MMC Chapters 17.28 and 17.32 (which deal with land division improvements);
- Transportation Design Manual;

- Milwaukie Downtown and Riverfront Plan Public Area Requirements;
- Public Works Standards.

Section 19.312.5 Public Area Requirements was adopted in 2000 when the City rezoned downtown Milwaukie as part of the Milwaukie Downtown and Riverfront Plan adoption process. This code section implements the community's vision for downtown Milwaukie in conjunction with the Downtown and Riverfront Plan. Chapter 19.1400 implements transportation improvements in the rest of the city.

Since the start of this project, staff has gained an in-depth understanding of how the City's current transportation regulations and standards were developed. This was accomplished by:

- Interviewing former Planning staff members;
- Reviewing land use files associated with recent code amendments to Chapter 19.1400 (Transportation Regulations) and Section 19.312.5 (Downtown Public Area Requirements), and;
- Reviewing previously adopted versions of Chapter 19.1400 (Transportation Regulations) and Section 19.312.5 (Downtown Public Area Requirements).

This research revealed some key City policies and practices, namely:

- The City has consistently relied on permit value to trigger transportation improvements for downtown and non-downtown development.
- The City has been and continues to be relatively aggressive when it comes to requiring transportation improvements for non-single-family development and redevelopment.¹
- Single-family development was initially excluded from the City's transportation improvement requirements. This changed in 2001 when the requirements of Chapter 19.1400 were amended to apply to new single-family development. Chapter 19.1400 was amended again in 2002, resulting in the current version of this chapter, which applies to some single-family substantial redevelopment projects in addition to new single-family development.

¹ This statement is based on staff's evaluation of the City's past and current transportation regulations. Prior to 2001, the City required full street improvements for new development and when a project's permit value was more than 50% of the value of the land. The City required partial street improvements when the permit value was less than 50% of the value of the land. This permit value approach is still in use for downtown projects. Since 2001, the City has required full street improvements for new development, land divisions, and when a project's permit value exceeds \$200,000.

Upon completion of this research, project staff documented and compiled all known problems, conflicts, and inconsistencies within and between the various documents and code provisions that contain transportation regulations. Staff then identified potential solutions to these problems, making sure to take Milwaukie's code history and constitutional law into consideration. Staff concluded this phase of the project by drafting a Problems and Solutions Memo, which was presented to the Planning Commission for review and discussion at their June 24, 2008 meeting.

The key solutions identified in the Problems and Solutions Memo are summarized below. Staff is currently in the process of drafting code language to implement these improvements.

- Replace value-based transportation improvement triggers with impact-based triggers, and exclude development projects with no transportation impacts from transportation improvement requirements, such as single-family home remodels that don't add additional square footage. This will ensure that the City exacts transportation improvements only when there are impacts to the transportation system.
- Treat downtown and non-downtown projects the same with regard to triggers and process, including the fee-in-lieu-of-construction option. This will result in a consistent approach to transportation exactions.
- Require proportionality analyses for all transportation-related exactions. This will ensure that the City's code conforms to constitutional case law on this subject and will reduce the City's liability exposure.
- Reduce the level of review required for projects that trigger transportation improvements when no transportation impact study or land use application is required. This will eliminate unnecessary process and expense for property owners and the City.
- Give the Engineering Director more discretion to apply a range of design solutions. This will allow for more context-sensitive transportation improvements.

The attached flow chart entitled Process for Evaluating and Determining Transportation Improvements, which is included as Attachment 2, diagrams the above-listed proposed improvements and how they relate to one another.

PAR Update

Section 19.312.5 Public Area Requirements does not give applicants or staff adequate guidance on how to comply with the stated requirements. Although it has a purpose and applicability section, it lacks an implementation section. Additionally, it does not explicitly require the City to relate required improvements to a project's impacts, which is contrary to constitutional law on this subject. As an interim measure, the Planning

Director made a formal interpretation in October 2007 requiring staff to consider a project's impacts and to evaluate whether the project's impacts are proportional to the required improvements.

In January 2008, City Council directed staff to consider amendments for this code section to ensure that it was constitutional, consistent, and balanced. With regard to creating a more balanced code, Council specifically asked if staff could develop amendments that would more equitably distribute the cost of constructing improvements in downtown Milwaukie between the public and private sectors.

The existing code is silent on the constitutional issue of proportionality because it does not explicitly require the City to demonstrate that required public area improvements are proportional to a project's transportation-related impacts. Staff proposes to remedy this as follows:

- Replace value-based transportation improvement triggers with impact-based triggers so that only those projects with transportation impacts trigger the City's public area requirements code section.
- Require proportionality analyses for all transportation-related exactions.

The existing code is currently inconsistent because the transportation improvement triggers for downtown and non-downtown development projects are different. As it currently stands, all downtown development projects are required to contribute at least ten percent of their building permit value to public area requirements. Because the permit trigger threshold is higher for projects outside of downtown, however, a similar non-downtown project may not have to contribute anything to public area requirements. Staff proposes to remedy this as follows:

- Use the same triggers for requiring either downtown or non-downtown transportation improvements.

The existing code is currently unbalanced because it places the entire cost of implementing the City's downtown public area requirements on the private sector. It is fairly standard practice to require a private property owner or developer to make on- and off-site transportation improvements when a project's impacts warrant it. However, City Council has recognized the high cost of downtown public area requirements, as adopted through the Milwaukie Downtown and Riverfront Plan process in 2000. As a result, Council has asked if the code can strike a better balance between public and private contributions to transportation investments in downtown, given that downtown public area requirements contain more street elements and more expensive street elements as compared to public area requirements in other areas of the city. Staff evaluated several ways to reduce the burden on the private sector, such as changing the Milwaukie Downtown and Riverfront Plan to reduce the City's public area

requirements. However, reducing the City's standards is not the same as creating a balance. Staff believes that the only way to balance the scales, so to speak, is for the City to create a public funding source for downtown public area requirements.² As a result, staff proposes the following remedy:

- Pursue the creation of a downtown urban renewal district to fund downtown public area requirements. Please see Attachment 3 for additional information on urban renewal.

Next Steps

Next steps include the development of final draft code amendment language for review by residents, stakeholders, and decision makers. Staff expects the final draft language to be complete in the next month or two. At that time, staff will continue its outreach efforts to stakeholders, including, but not limited to, local developers, neighborhood district associations, and downtown business owners. By December 2008, staff expects to begin the formal code amendment adoption process.

Concurrence

Planning staff is managing the TCA/PAR project. Planning, Engineering, and Community Development staff developed the project's Scope of Work together and have been actively involved with reviewing draft amendments. This project has been on the Planning Commission's work plan for the last two years.

Fiscal Impact

No action requested. However, code language that is constitutional, consistent, and balanced should reduce the incidence of land use appeals and lawsuits.

Work Load Impacts

No action requested. Continued work towards completion of the TCA/PAR project is within existing planning staff work plans.

² Staff does not believe that lowering the overall quality and cost of downtown public area requirements would be consistent with the community's vision as set forth in the Milwaukie Downtown and Riverfront Plan.

Alternatives

No action requested. Modifying the Milwaukie Downtown and Riverfront Plan to reduce the City's public area requirements would reduce the expense of developing downtown. However, City Council recently indicated that they did not feel a need to revisit this plan when briefed on the various downtown plans in June of this year. Moreover, staff believes that there are other options, such as urban renewal, that will serve to further the community's vision for downtown Milwaukie better than a reduction in standards. Staff believes that these other options should be fully explored and that a reduction in standards should only be considered as a last resort.

Attachments

1. Draft Code Language for MMC 19.312.5 Public Area Requirements
2. Process for Evaluating and Determining Transportation Improvements
3. Urban Renewal "Success Stories"

ATTACHMENT 1

Strikeout Copy of PAR Draft Code Language

(Underlined text is proposed new text. Strikeout text is proposed deleted text.)

Title 19 ZONING

Chapter 19.300 USE ZONES

19.312 Downtown zones.

19.312.5 Public Area Requirements.

- A. Purpose. The design of streets, sidewalks, and public spaces is critical to the overall character and vitality of the downtown zones. The Milwaukie Downtown and Riverfront Plan Public Area Requirements provide public area requirements ~~prescribe~~ specific design details and ~~design~~ criteria for improvements within the public right-of-way, to establish a common urban design thread and link the different land uses and architectural styles of the downtown zones. The Public Area Requirements also guide the development of capital improvement programs for public right-of-way areas. Public area improvements include elements of the public right-of-way such as streets, sidewalks, lighting, landscaping and public furniture.
- B. Applicability. The downtown and riverfront public area requirements shall apply to downtown development that meets the applicability provisions of 19.1402. Public area requirements are located in the Milwaukie Downtown and Riverfront Plan Public Area Requirements, as follows:
1. ~~———— All new development in the downtown zones shall comply with the public area requirements.~~
 2. ~~———— Any renovation, expansion, or alteration of an existing building that has a development permit value that exceeds fifty percent of the value of the land and existing improvements, as determined by the county assessor, shall comply with the public area requirements. The building official shall determine development permit value.~~
 3. ~~———— If the development permit value is less than fifty percent of the value of the land and existing improvements, as determined by the county assessor, then an amount equal to at least ten percent of the development permit value shall be utilized to meet the public area requirements. For example, if a one hundred thousand dollar improvement is proposed for a site with land and improvements valued at two hundred fifty thousand dollars, at least ten thousand dollars shall be dedicated to meet the public area requirements. Priorities for public area improvements shall be determined at a preapplication conference with community development department staff. In general, the public area requirements will be prioritized to benefit the pedestrian as follows:~~

~~First priority: Sidewalk improvements~~
~~Second priority: Street trees~~
~~Third priority: Streetlights~~
~~Fourth priority: Street furniture and bicycle parking~~
- C. Review Process. All downtown development projects that require a land use application and are subject to Chapter 19.1400 per the applicability criteria in 19.1402 shall schedule a pre-application conference with the Planning Director and City Engineer prior to submittal of the land use application. Land use applications for downtown development projects shall be submitted in accordance with Sections 19.1403.2 and 19.1404.5.d.

Chapter 19.1400 PUBLIC FACILITY IMPROVEMENTS

19.1403 Applicability.

- A. ~~Chapter 19.1400 applies to the following forms of development, except as limited by subsection 19.1403.1 of this section: partitions, subdivisions, new construction, including single and multifamily residential, commercial, industrial, institutional, governmental, and other.~~
- B. ~~Application Required. All actions subject to this section require submission of an application for transportation review. Applications shall be reviewed in accordance with Section 19.1001.~~

19.1402 Applicability

- A. Chapter 19.1400 applies to the following types of developments in all zones:
1. Partitions
 2. Subdivisions
 3. Replats that increase the number of lots
 4. New construction
 5. Modification or expansion of an existing structure (except single family), or a change or intensification in use that results in one of the following:
 - a. A new dwelling unit
 - b. Any increase in the gross floor area
 - c. Any projected increase in vehicle trips per day, as determined by the Engineering Director

ATTACHMENT 1
Clean Copy of PAR Draft Code Language
(Underlined text is proposed new text)

Title 19 ZONING

Chapter 19.300 USE ZONES

19.312 Downtown zones.

19.312.5 Public Area Requirements.

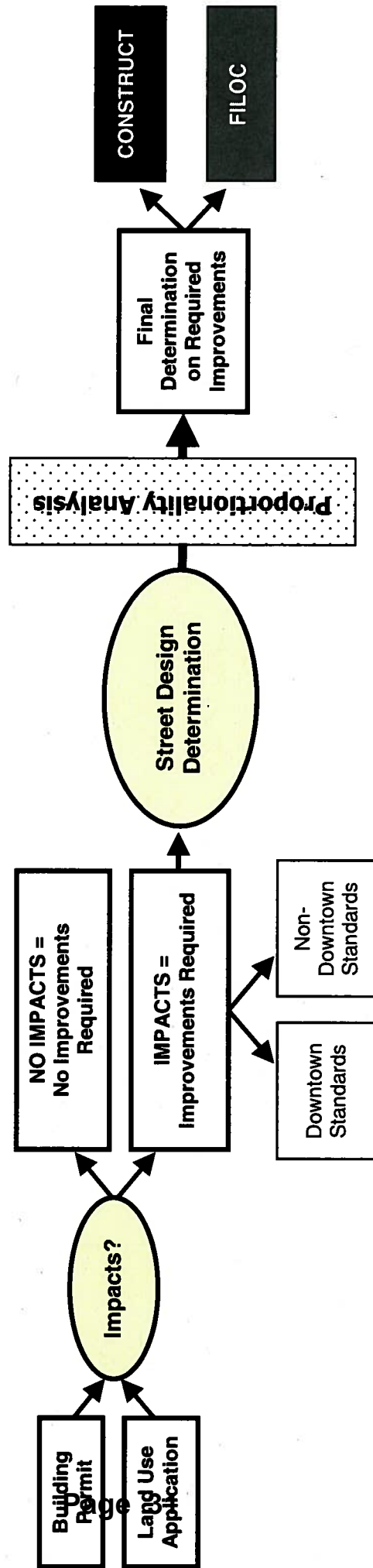
- A. Purpose. The design of streets, sidewalks, and public spaces is critical to the overall character and vitality of the downtown zones. The Milwaukie Downtown and Riverfront Plan Public Area Requirements provide specific design details and criteria for improvements within the public right-of-way; to establish a common urban design thread and link the different land uses and architectural styles of the downtown zones. The Public Area Requirements also guide the development of capital improvement programs for public right-of-way areas. Public area improvements include elements of the public right-of-way such as streets, sidewalks, lighting, landscaping and public furniture.
- B. Applicability. The downtown and riverfront public area requirements shall apply to downtown development that meets the applicability provisions of 19.1402. Public area requirements are located in the Milwaukie Downtown and Riverfront Plan Public Area Requirements.
- C. Review Process. All downtown development projects that require a land use application and are subject to Chapter 19.1400 per the applicability criteria in 19.1402 shall schedule a pre-application conference with the Planning Director and City Engineer prior to submittal of the land use application. Land use applications for downtown development projects shall be submitted in accordance with Sections 19.1403.2 and 19.1404.5.d.

Chapter 19.1400 PUBLIC FACILITY IMPROVEMENTS

19.1402 Applicability

- A. Chapter 19.1400 applies to the following types of developments in all zones:
1. Partitions
 2. Subdivisions
 3. Replats that increase the number of lots
 4. New construction
 5. Modification or expansion of an existing structure (except single family), or a change or intensification in use that results in one of the following:
 - a. A new dwelling unit
 - b. Any increase in the gross floor area
 - c. Any projected increase in vehicle trips per day, as determined by the Engineering Director

Process for Evaluating and Determining Transportation Improvements



ATTACHMENT 3

Success story

City of Sherwood

The City of Sherwood formed its Urban Renewal District on August 29, 2000 in order to rejuvenate the Old Town area. The goals and objectives of the Urban Renewal plan include promoting private development and performing arts; rehabilitating the existing buildings; and improving the streets, streetscapes, open spaces, local utilities, parking, and public facilities. In addition, the plan outlined an investment strategy for telecommunications infrastructure. This brought high speed Internet and free Wi-Fi hot spots into Old Town, which resulted in a business owner developing a multi-use building, relocating to Old Town, and increasing the tax rolls in the area. This represented the first building permit in Old Town in over forty years.

The City of Sherwood also worked with the school district in order to receive their support for the Urban Renewal area. Thus, the urban renewal plan included improvements for the local high school's playing fields and field house. Currently, the city has spent approximately \$20 million of the \$35 million generated through TIF on façade improvements, a civic building and library, street and utility improvements, high speed Internet hot spots, a multi-purpose facility for a field house and office space, a turf field for the high school, and the demolition and remediation of a blighted building in the city's Old Town.

"The urban renewal process has been critical to Sherwood as we have revitalized our city's core. It has not only had a huge impact on our citizens, but, some of the projects made possible by urban renewal have had positive impacts on the region."

— Ross Schultz,
City Manager,
City of Sherwood



New construction in Old Town sparked by the Urban Renewal Internet investment strategy, City of Sherwood

The City of Oregon City established its urban renewal plan in 1983 and has two urban renewal districts: the Hilltop Urban Renewal District and the Downtown/North End Urban Renewal District. The plans' strategies focused on promoting activities, transportation, parks and open spaces, redevelopment assistance, civic improvements, infrastructure, property acquisition and planning and administration. The plan also established the maximum debt level for the urban renewal areas by estimating projects costs, the increment of increased value, and bonding and borrowing capacities.

Oregon City established the Hilltop District in 1989 and discontinued the area as an Urban Renewal district in 2005. The city estimated the net assessed value of the Hilltop District grew from \$5 million to \$65 million during this time period. A significant improvement in this district was the improvement and expansion of Beaver Creek Road through TIF and funds from SDCs and Public Works.

The city established the Downtown/North End Urban Renewal District in 1990 in its 2040 Regional Center. Thus far, the city estimates the net assessed value of the Downtown/North End District grew from \$50 million to \$132 million with tax revenues increasing approximately \$2.2 million. Objectives specific to this area include mitigating blighted conditions on an old landfill site, cultural and historical rehabilitation, and achieving 2040 Regional Center goals. The Seventh Street Corridor project provided a significant improvement to this district resulting in dozens of storefront improvements, additional restaurants, and a renewed interest in Oregon City. With matching funds from the Oregon Department of Transportation and the Metropolitan Transportation Improvement Program, the district's next major project encompasses significant improvements to McLoughlin Boulevard and the Riverfront.

"Urban renewal districts provide a creative way for cities to invest in their future by using long term public funding to leverage private investment for projects that can transform a community to a more livable place. These projects often include downtown redevelopment, affordable housing, infrastructure improvements and economic development."

— Dan Drentlaw,
Community Development
Director,
City of Oregon City

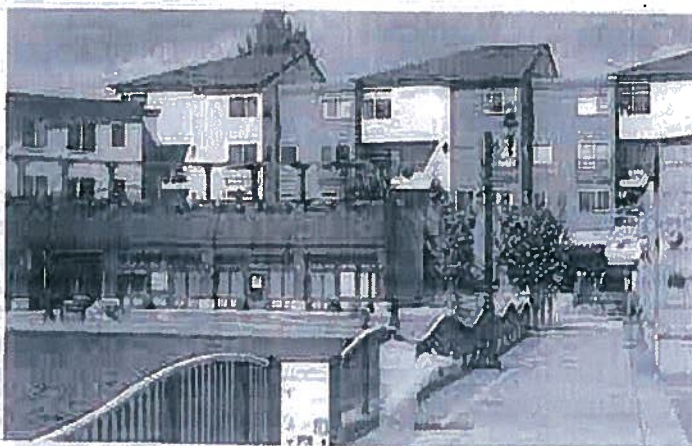


Transportation improvements and historic rehabilitation completed in Oregon City's Urban Renewal districts, City of Oregon City

The City of Tualatin established its first Urban Renewal area in 1975 with the adoption of the Central Urban Renewal Plan. Initially, the city adopted urban renewal to alleviate blighted conditions in the city's core caused by a manufacturing industry within the commercial district. Over the years, the city expanded the original Central Urban Renewal area and attempted to develop a Village Square during the late 1980's. The city turned to community members for input and received clear direction for a pedestrian oriented downtown with a strong civic focus.

The result of this engagement was the Tualatin Commons development at the heart of the Central Urban Renewal District. Tualatin Commons consists of a mix of restaurants, office buildings, a hotel, townhomes and apartments, and open space surrounding a 3-acre lake. The city's plan for this area also outlines future improvements to remove blight and to further ensure the vitality of the Tualatin Commons and downtown area including projects to add pedestrian crossings, and enhance the streetscape and signage. The city's last amendment of the Central Urban Renewal plan occurred on May 22, 2002.

Tualatin adopted a second urban renewal area in 1982, the Leveton Tax Increment District. The city annexed a large area of land located west of the existing city limits in order to provide the level of infrastructure and services necessary to support appropriate industrial development. The city wanted the area for a highly demanded campus-like industrial development. The area provided a significant opportunity for this with its single property owner, relatively flat landscape, and accessibility within the region. The city established an urban renewal area in order to use tax increment financing to add services such as sewer, water and roads to the annexed area, which was blighted, underdeveloped, and faced a variety of physical and economic obstacles to its future use. The result is the Tualatin Business Campus, significant infrastructure investment, and an opportunity for the city to recruit businesses.



Tualatin Commons, a project located in Tualatin's Urban Renewal area, City of Tualatin

*"Tualatin lacked a strong identity of its own and was in danger of becoming simply an ordinary suburb—that is, until a combination of circumstances and vision and hard work led to a solution: the development of a central place, a downtown, a civic 'living room' on a 19-acre site. This new city center has given Tualatin a unique and positive identity. Its realization testifies to the power of a true public-private partnership."*⁶

— Dave Leland, Developer

6. Unsprawl Case Study: Tualatin Commons, Oregon: <http://www.terrain.org/unsprawl/4>